

OGC Has Reviewed

13 March 1956

MEMORANDUM FOR : Office of General Counsel
ATTENTION : Mr. 25X1A9A
SUBJECT : Allowance of Claims for Baby-Sitter Fees
Incurred by Agency Personnel.
REFERENCE : (a) 25X1A
dated 2 June 1954 - Subsistence and/or
Entertainment of Foreign Officials
(b) 25X1A dated
1 April 1955 - Reimbursement for Special
Operational Expenditures

1. Finance Division has recently received claims for expenses incurred by Agency personnel for baby-sitter fees. In some cases these fees were claimed by Agency personnel wherein actual expenses had been approved for escorting officers by the Director of CIA on an actual expense basis. The claim for the baby-sitting fees usually stated that this was due to the fact that it was necessary for the escorting officer's wife to be present at operational meetings, and in order to do so a baby-sitter was hired to care for their children. The general interpretation that has been applied to the actual expense basis by Finance Division included only those items which were incurred during actual travel of the escorting officer and the foreign national or directly related thereto. This interpretation appears to have been confirmed by recently released regulation 25X1 dated 31 January 1956.

2. Reference (b) states as follows: Under paragraph 3 A. (3) "In no event will reimbursement be allowed for expenses resulted in a direct or indirect personal benefit or gain to an employee unless it can be demonstrated that such expenses were:

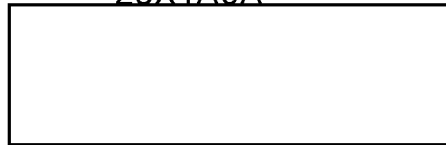
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(2)

(1) Essential to the obtaining of information of a confidential, extraordinary or emergency nature, or the making of operational contracts, or (2) Of a character not reasonably required to be met from personal funds, or (3) Of such a nature that the expenses would not have been made by the individual from personal funds except for the official necessity of obtaining such information or special services." Therefore, it is requested that based upon the provisions of reference (a) and (b) that a decision be rendered regarding the payment of baby-sitting fees incurred by Agency employees under these regulations.

3. At the present time Finance Division is in receipt of several claims which claim baby-sitter fees of which these expenses have been suspended pending a decision from your office.

25X1A9A



Chief, Finance Division

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